

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 556 – HB 1294

February 19, 2017

SUMMARY OF ORIGINAL BILL: Increases, from three to five, the number of members appointed to the Alcoholic Beverage Commission (ABC). Requires each member to be paid \$300 for each meeting. Eliminates the \$6,000 annual compensation for members. Deletes the requirement that members be reimbursed for travel.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Expenditures – Net Impact – \$300/ABC Fund

SUMMARY OF AMENDMENT (003909): Deletes language in the original bill requiring a \$300 payment to each member for each meeting. Adds language authorizing travel reimbursement and per diem expenses for members attending meetings.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Expenditures – Net Impact – \$7,800/ABC Fund

Assumptions for the bill as amended:

- Eliminating the \$6,000 annual compensation for three current members will result in a recurring decrease in state expenditures to the ABC Fund of \$18,000 (\$6,000 x 3 members).
- The average annual travel expenditure is \$2,100 per member.
- Travel expenditures for two additional members will result in a recurring increase in state expenditures to the ABC Fund estimated to be \$4,200 (\$2,100 x 2 members).
- Training materials and supplies for the two additional members will result in a recurring increase in state expenditures to the ABC Fund estimated to be \$6,000.
- The net recurring decrease in state expenditures to the ABC Fund is estimated to be \$7,800 (\$18,000 - \$4,200 - \$6,000).

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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